

## **The complaint**

Mr A complains that Admiral Insurance Company Limited gave him incorrect information about the validity of his no claims bonus (NCB) following a gap between policies, and he lost his discount, causing his premiums to increase.

## **What happened**

Mr A previously held a motor insurance policy with Admiral.

Mr A then didn't drive for three years, and when he wanted to drive again, he tried to take out a new policy with a different insurer. The new insurer wouldn't accept Mr A's NCB evidence and so his policy premiums were very high. Mr A says he couldn't afford these premiums and so he isn't driving.

Mr A rang Admiral and he was advised that if he didn't drive for three years, his NCB would reduce by one year but it would still be valid.

Admiral have confirmed that the advice Mr A was given was incorrect and have paid him £30 compensation.

Mr A was unhappy with this as he says that he would like his NCB reinstated.

One of our investigators looked into Mr A's complaint and he thought that Mr A should be awarded £100 compensation for distress and inconvenience.

Mr A disagreed with our investigators view, and so the case has come to me to review.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I will be upholding Mr A's complaint and I will explain why.

When Mr A called Admiral on 4 May 2022 he was given incorrect information. He was led to believe that his NCB was still valid and that he would be able to give that information to his new insurer and still get a discount.

However, this information was incorrect, and will have caused Mr A some inconvenience. I can also see that he was promised a call back which didn't happen, and so for these customer service failings, I agree with the investigator's view that £100 is a more appropriate figure for the inconvenience caused. I understand Admiral has already agreed to this.

However, I can't direct that Mr A's new insurer applies a NCB to his policy. Insurers vary in terms of what they will accept as NCB, and there is no standard period for which insurers honour NCB following a gap in insurance. These are commercial decisions, and not something that we can comment on or change.

I haven't seen any evidence that the advice given to Mr A impacted the length of time he chose not to have insurance for, and the information provided shows that he had already been without insurance for over three years at the time the advice was given.

### **Putting things right**

I think that Admiral should increase the compensation payment to Mr A from £30 to £100.

### **My final decision**

My decision is that I uphold Mr A's complaint against Admiral Insurance Company and direct them to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 1 December 2022.

Joanne Ward  
**Ombudsman**